Local Governments and Social Economy: co-creation of paths for a green and inclusive economy

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Report format

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Participants

Name of moderator
Moo-Kwon Chung

Speakers
- Minjeong Park and Sang-II Han
- Sang-II Han, Joohee Park and Hanna Yoo
- Sang-II Han and Hanna Yoo

Main question
What should be the actions or strategies of individuals, governments, groups, societies, countries, to achieve a better and more inclusive world?
What key actions should be promoted from the local level?
Summary of presentations:

- **Minjeong Park and Sang-II Han**: Social Capital and Social Innovation in South Korea: The Effect of Trust, Norms, and Networks
  
  **Research background:**
  
  - the necessity of social innovation
  - the importance of social capital
  - the purpose of this study: how social capital affects social innovation
    
    - clarifying each concept of social capital and social innovation
    - reviewing literatures on the relationship between them
    - exploratory factor analysis
    - regression analysis
  
  **Theoretical background: social capital**
  
  - networks: the linkage between actors such as individuals or groups and the form of linkage that appears in these relationships
  - norms: the degree of consensus in the social system and plays an important role in solving common problems
  - trust: the belief of individuals, groups, and social institutions through repeated exchanges
  
  **Theoretical background: social innovation**
  
  - state
  - market
  - civil society
  - characteristics of social innovation
    
    - novelty: new ideas that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations
    - collaboration: social innovations are technologies that facilitate and require coordination with others to be successful
    - learning: a collective process of learning involving the distinctive participation of civil society actors aimed to solve a societal need through change in social practices that produce change in social relationships, systems and structures, contributing large socio-technical change
  
  **The relationship between social capital and social innovation**
  
  - positive effect of perceived social capital of social enterprise workers on the social innovation tendency of the organisation
  - each dimension of social capital and its relationship with innovation
    
    - community members can exchange new information necessary for social innovation through the networks and can
increase opportunities for learning to acquire new knowledge necessary for innovation
- the stronger the bond of the network, the higher the possibility of social innovation in the local community
- trust among community members is expected to contribute to promoting social innovation
- when community members trust each other, they will collaborate and exchange formal and informal resources for innovation activities
- norms are one of the most important social capitals that community members consider to be worthy of following, and forms a sympathy for the necessity and participation of social innovation, thereby facilitating collaboration among members

- Research methods
  - collection of data from 19 local areas in Korea
  - Sample size: 1900 local people (100 in each area)
  - analytical framework
    - control variables: sex, age, education, family income, length of living
    - independent variables: trust, norms, networks
      - dependent variables: novelty, collaboration, learning
  - the validity of the concept of social capital and social innovation
    - social capital: networks, trust and norms
    - social innovation: novelty, collaboration and learning
  - the causal relationship between social capital and social innovation - each dimension of social capital has a positive correlation to social innovation

- Sang-Il Han and Hanna Yoo: The Development and Validation of Social Entrepreneurial Antecedents
  - Objectives of study:
    - review previous studies on SEA
    - Develop the measurement scale of SEA
    - validate the measurement scale of SEA
  - Research background:
    - the importance of local community: main agent of solving social problems:
      - innovative and new approach to respond to various social issues
      - local community: main agent of solving social problems
      - the importance of social entrepreneur
    - the importance of social entrepreneurs:
      - increasing the number of training programs for social entrepreneur
      - who has the qualifications to grow into a social entrepreneur?
      - who will participate and explore opportunities to solve problems in the community?
    - increasing the research on SEship
- development and validation
- increasing the research on the relationship between organisational performance, social performance and sustainability
- lack of research on antecedents of social entrepreneurship

- purpose of this study:
  - improving the practicality of social entrepreneurship research
    - literature review
      - conceptual studies on the social entrepreneurship and its antecedents
      - empirical studies on the antecedent factors of social entrepreneurship
  - empirical analysis
    - descriptive statistics
    - exploratory factor analysis, confirmatory factor analysis, convergent validity, discriminant validity, higher order factor analysis, predictive validity

- the development and validation of social entrepreneurial antecedents (SEA)
  - Social entrepreneurship and social entrepreneurial antecedents
    - social entrepreneurship - starts with Say, Schumpeter and Drayton
      - Weerawardena and Mort
        - conceptualisation as the perspective of leadership qualities
          - innovativeness: creating new businesses and values
          - proactiveness: recognising social change as an opportunity to meet new demands
          - risk-taking: consider and manage upcoming risks
      - Bae, Oh et al, Moon and Kim
        - adding concepts such as social purpose, empathy, innovation, practicality, job calling, value matching, job enthusiasm, and job satisfaction to the above three concepts
        - it is not appropriate to include prosocial tendencies in the elements of social entrepreneurship
  - Four antecedents:
    - empathy: cognitive and emotional empathy for the vulnerable
    - moral obligation: a sense of obligation to consider the vulnerable as a universal ethical standard
    - self efficacy: recognition of the ability to solve regional problems in cooperation with other members
- Social support: the degree to which other members are willing to help you when you are trying to achieve your goals

- Research method
  - SPSS ver25.0 and AMOS ver22.0
  - Correlation analysis
  - Exploratory factor analysis, confirmatory factor analysis
  - Convergent validity, discriminant validity
  - Higher order factor analysis
  - Predictive validity

- Outcomes:
  - Implications:
    - Validation of the concept of social entrepreneurial antecedents
    - Finding the importance of cognitive dimension (empathy, moral obligation)
    - Advancement of research and learning system to foster social entrepreneurs in the region
  - Future research:
    - Identification of the causality with the preceding factors
    - Development of educational programs for social entrepreneurs using SEA measurement

- Sang-Il Han, Joohee Park and Hanna Yoo: An Empirical Analysis of Volunteer Work and the Participation in Social Economy Organizations: Mediating Effect of Sense of Community
  - Background and purpose
    - The role of the social economy
      - Meeting community needs that are not met by market or government
    - Residents’ participation, expression of opinions, and commitment to the community are important for the development of SE
    - The share of SE among volunteer organisations in South Korea is very small: 11% of volunteers
    - It is important to identify the causality that community members’ volunteering leads to the expression of a sense of community required by the social economy and develops into active participation in the SE
  - The effect of volunteer work on SE participation: mediating effect of sense of community
    - The process by which volunteering contributes to community formation
      - Capacity building of participants
      - Formation of social capital
      - Comprehensive learning
      - An empirical study on volunteerism and community formation
  - Category of social economy organisation
    - Traditional vs new social economy (international)
      - Agricultural co-ops, credit unions, consumer co-ops, mutuals
    - Diversity in historical formation of co-ops in South Korea
- agricultural co-ops: material heritage of the extortion agencies during the Japanese colonial period, but introducing democratic institutions through recent reforms
- financial co-ops: growing under the nurturing of the military government, but also adopting reforms
- credit unions: although they have a history of voluntary, democratic and self-help, criticism that autonomy has been reduced during the governmental financial reform process in the late 90s
- consumer food co-ops: voluntary, democratic, self-help history
  - disagreements exist which cooperatives should be included in the social economy organisation
  - the social economy in the narrow sense and the social economy in the broad sense are distinguished
- theoretical model

\[ h1: \] volunteering has a positive effect on social economy participation
  - it has been confirmed in both broad and narrow definitions of social economy organisation
- h2a: volunteering has a positive effect on social economy participation mediated by sense of community
- h2b: when defining social economy in the narrow sense, these effects will be larger than when defining social economy in the broad sense
  - has been confirmed in narrow definition but not broad

- Policy Implication
  - it is important that volunteer experiences in the community be an experience that confirms your identity as a member of the community
  - if a volunteer organisation simply receives labour from volunteers and fails to promote sense of community, the opportunity for participants to grow as a member of a wider civil society may be limited
  - activation of channels that allow various volunteer participants in the local community to access the social economy
- networks - among volunteers, volunteer organisations, civil society organisations
- registration and linkage with volunteering centers
- reflecting characteristics such as village-based community-seeking cooperatives and social economy organisations for the underprivileged

Screenshots of the zoom session (preferably gallery view with all the participants, so please take a minute before closing the session to ask all the participants to turn on their videos and take a group photo. This can be also used for the video recording later.)